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TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

AUG 01 2006

T:EP:RA:T:A2

Re:

Company =

This letter constitutes notice that pursuant to your request of July 7, 2006:

1. Your request for a waiver of the minimum funding standard for the above-named plan for the plan year ending December 31, 2005, has been withdrawn, and the case has been closed by this office.
2. A waiver of the 100 percent tax under § 4971(b) of the Internal Revenue Code ("Code") has been granted for the above-named plan for the plan year ending December 31, 2005, on the condition that the Company's application to the PBGC for a distress termination of the Plan is approved. If the distress termination application is not approved, the Company may request that the request for a waiver of the minimum funding standard for the plan year ending December 31, 2005, that has been withdrawn, be re-opened for consideration.

The conditional waiver of the 100 percent tax has been granted in accordance with section 3002(b) of the Employee Retirement Income Security Act ("ERISA"). The amount for which the conditional waiver has been granted is equal to 100 percent of the accumulated funding deficiency in the funding standard account as of December 31, 2005, the end of the plan year for which the waiver has been granted, to the extent such funding deficiency has not been corrected.

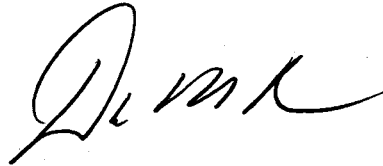
The Company is engaged in the design, manufacture and sale of electrical porcelain insulators for distribution, transmission, station, and specialty applications to the electrical utility industry. The Company has incurred significant losses in the past 5 years as the result of an industry wide recession following 9/11, the rapid and aggressive success of imports into distribution voltage products, and a price war for market share between producers of substation post-type insulators. A request has been filed with the PBGC to effect a distress termination of the Plan. This request is still pending.

This ruling is directed only to the taxpayer that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

We have sent a copy of this letter to the Manager, EP Classification in \_\_\_\_\_  
to the Manager, EP Compliance Unit in \_\_\_\_\_ and to your  
authorized representative pursuant to a power of attorney on file in this office.

If you require further assistance in this matter, please contact \_\_\_\_\_

Sincerely yours,

A handwritten signature in black ink, appearing to read "D. M. Prestia", written in a cursive style.

Donna M. Prestia, Manager  
Employee Plans Actuarial Group 2